



ANNUAL STATEMENT
For the Year Ending December 31, 2012
OF THE CONDITION AND AFFAIRS OF THE
HealthPlus Partners, Inc.

NAIC Group Code	3409 (Current Period)	3409 (Prior Period)	NAIC Company Code	11549	Employer's ID Number	01-0729151
Organized under the Laws of	Michigan		State of Domicile or Port of Entry	Michigan		
Country of Domicile	United States of America					
Licensed as business type:	Life, Accident & Health[] Dental Service Corporation[] Other[]		Property/Casualty[] Vision Service Corporation[] Is HMO Federally Qualified? Yes[] No[X] N/A[]		Hospital, Medical & Dental Service or Indemnity[] Health Maintenance Organization[X]	
Incorporated/Organized	07/08/2002		Commenced Business	01/01/2003		
Statutory Home Office	2050 South Linden Road (Street and Number)		Flint, MI, 48532 (City or Town, State, Country and Zip Code)			
Main Administrative Office			2050 South Linden Road (Street and Number)		Flint, MI, 48532 (City or Town, State, Country and Zip Code)	
					(800)332-9161 (Area Code) (Telephone Number)	
Mail Address	2050 South Linden Road, P.O. Box 1700 (Street and Number or P.O. Box)		Flint, MI, 48501-1700 (City or Town, State, Country and Zip Code)			
Primary Location of Books and Records			2050 South Linden Road (Street and Number)		Flint, MI, 48532 (City or Town, State, Country and Zip Code)	
					(800)332-9161 (Area Code) (Telephone Number)	
Internet Website Address	www.healthplus.org					
Statutory Statement Contact	Matthew Andrew Mendrygal, C.P.A. (Name)		(810)230-2179 (Area Code)(Telephone Number)(Extension)			
	mmendryg@healthplus.org (E-Mail Address)		(810)733-8966 (Fax Number)			

OFFICERS

Name	Title
Bruce Roberts Hill	President
Nancy Susan Jenkins	Secretary
Matthew Andrew Mendrygal C.P.A.	Treasurer

OTHERS

DIRECTORS OR TRUSTEES

Jack Louis Barry MD Sheryl Denise Thompson Janecka Richard #	Christopher John Flores Lorisa Bellinger #
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State of Michigan
County of Genesee ss

The officers of this reporting entity being duly sworn, each depose and say that they are the described officers of the said reporting entity, and that on the reporting period stated above, all of the herein described assets were the absolute property of the said reporting entity, free and clear from any liens or claims thereon, except as herein stated, and that this statement, together with related exhibits, schedules and explanations therein contained, annexed or referred to, is a full and true statement of all the assets and liabilities and of the condition and affairs of the said reporting entity as of the reporting period stated above, and of its income and deductions therefrom for the period ended, and have been completed in accordance with the NAIC Annual Statement Instructions and Accounting Practices and Procedures manual except to the extent that: (1) state law may differ; or, (2) that state rules or regulations require differences in reporting not related to accounting practices and procedures, according to the best of their information, knowledge and belief, respectively. Furthermore, the scope of this attestation by the described officers also includes the related corresponding electronic filing with the NAIC, when required, that is an exact copy (except for formatting differences due to electronic filing) of the enclosed statement. The electronic filing may be requested by various regulators in lieu of or in addition to the enclosed statement.

(Signature) Bruce Roberts Hill (Printed Name) 1. President (Title)	(Signature) Matthew Andrew Mendrygal (Printed Name) 2. Treasurer (Title)	(Signature) Nancy Susan Jenkins (Printed Name) 3. Secretary (Title)
Subscribed and sworn to before me this day of , 2013	a. Is this an original filing? b. If no, 1. State the amendment number 2. Date filed 3. Number of pages attached	Yes[X] No[] 0 0
(Notary Public Signature)		

ASSETS

		Current Year			Prior Year
		1	2	3	4
		Assets	Nonadmitted Assets	Net Admitted Assets (Cols.1-2)	Net Admitted Assets
1.	Bonds (Schedule D)	0	0	0	9,650,728
2.	Stocks (Schedule D)				
2.1	Preferred stocks	0	0	0	0
2.2	Common Stocks	13,171,179	0	13,171,179	7,431,619
3.	Mortgage loans on real estate (Schedule B):				
3.1	First liens	0	0	0	0
3.2	Other than first liens	0	0	0	0
4.	Real estate (Schedule A):				
4.1	Properties occupied by the company (less \$.....0 encumbrances)	0	0	0	0
4.2	Properties held for the production of income (less \$.....0 encumbrances)	0	0	0	0
4.3	Properties held for sale (less \$.....0 encumbrances)	0	0	0	0
5.	Cash (\$.....(214,804) Schedule E Part 1), cash equivalents (\$.....0 Schedule E Part 2) and short-term investments (\$.....33,299,856 Schedule DA)	33,085,051	0	33,085,051	28,935,579
6.	Contract loans (including \$.....0 premium notes)	0	0	0	0
7.	Derivatives (Schedule DB)	0	0	0	0
8.	Other invested assets (Schedule BA)	0	0	0	0
9.	Receivables for securities	0	0	0	0
10.	Securities Lending Reinvested Collateral Assets (Schedule DL)	0	0	0	0
11.	Aggregate write-ins for invested assets	0	0	0	0
12.	Subtotals, cash and invested assets (Lines 1 to 11)	46,256,230	0	46,256,230	46,017,926
13.	Title plants less \$.....0 charged off (for Title insurers only)	0	0	0	0
14.	Investment income due and accrued	15,333	0	15,333	46,448
15.	Premiums and considerations:				
15.1	Uncollected premiums and agents' balances in the course of collection	829,557	0	829,557	176,217
15.2	Deferred premiums, agents' balances and installments booked but deferred and not yet due (Including \$.....0 earned but unbilled premiums)	0	0	0	0
15.3	Accrued retrospective premiums	0	0	0	0
16.	Reinsurance:				
16.1	Amounts recoverable from reinsurers	0	0	0	0
16.2	Funds held by or deposited with reinsured companies	0	0	0	0
16.3	Other amounts receivable under reinsurance contracts	0	0	0	0
17.	Amounts receivable relating to uninsured plans	0	0	0	0
18.1	Current federal and foreign income tax recoverable and interest thereon	0	0	0	0
18.2	Net deferred tax asset	0	0	0	0
19.	Guaranty funds receivable or on deposit	0	0	0	0
20.	Electronic data processing equipment and software	0	0	0	0
21.	Furniture and equipment, including health care delivery assets (\$.....0)	0	0	0	0
22.	Net adjustment in assets and liabilities due to foreign exchange rates	0	0	0	0
23.	Receivables from parent, subsidiaries and affiliates	899,671	0	899,671	1,159,747
24.	Health care (\$.....2,534,602) and other amounts receivable	4,054,436	0	4,054,436	2,147,274
25.	Aggregate write-ins for other than invested assets	0	0	0	0
26.	Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)	52,055,227	0	52,055,227	49,547,612
27.	From Separate Accounts, Segregated Accounts and Protected Cell Accounts	0	0	0	0
28.	Total (Lines 26 and 27)	52,055,227	0	52,055,227	49,547,612
DETAILS OF WRITE-INS					
1101.	.....	0	0	0	0
1102.	.....	0	0	0	0
1103.	.....	0	0	0	0
1198.	Summary of remaining write-ins for Line 11 from overflow page	0	0	0	0
1199.	TOTALS (Lines 1101 through 1103 plus 1198) (Line 11 above)	0	0	0	0
2501.	.....	0	0	0	0
2502.	.....	0	0	0	0
2503.	.....	0	0	0	0
2598.	Summary of remaining write-ins for Line 25 from overflow page	0	0	0	0
2599.	TOTALS (Lines 2501 through 2503 plus 2598) (Line 25 above)	0	0	0	0

LIABILITIES, CAPITAL AND SURPLUS

		Current Year			Prior Year
		1 Covered	2 Uncovered	3 Total	4 Total
1.	Claims unpaid (less \$.....0 reinsurance ceded)	20,435,203	0	20,435,203	19,025,408
2.	Accrued medical incentive pool and bonus amounts	2,594,420	0	2,594,420	2,751,845
3.	Unpaid claims adjustment expenses	376,229	0	376,229	367,940
4.	Aggregate health policy reserves, including the liability of \$.....0 for medical loss ratio rebate per the Public Health Service Act	0	0	0	0
5.	Aggregate life policy reserves	0	0	0	0
6.	Property/casualty unearned premium reserves	0	0	0	0
7.	Aggregate health claim reserves	0	0	0	0
8.	Premiums received in advance	0	0	0	0
9.	General expenses due or accrued	424,905	0	424,905	129,498
10.1	Current federal and foreign income tax payable and interest thereon (including \$.....0 on realized capital gains (losses))	0	0	0	0
10.2	Net deferred tax liability	0	0	0	0
11.	Ceded reinsurance premiums payable	0	0	0	0
12.	Amounts withheld or retained for the account of others	0	0	0	0
13.	Remittances and items not allocated	0	0	0	0
14.	Borrowed money (including \$.....0 current) and interest thereon \$.....0 (including \$.....0 current)	0	0	0	0
15.	Amounts due to parent, subsidiaries and affiliates	507,328	0	507,328	380,931
16.	Derivatives	0	0	0	0
17.	Payable for securities	0	0	0	0
18.	Payable for securities lending	0	0	0	0
19.	Funds held under reinsurance treaties (with \$.....0 authorized reinsurers, \$.....0 unauthorized reinsurers and \$.....0 certified reinsurers)	0	0	0	0
20.	Reinsurance in unauthorized and certified (\$.....0) companies	0	0	0	0
21.	Net adjustments in assets and liabilities due to foreign exchange rates	0	0	0	0
22.	Liability for amounts held under uninsured plans	0	0	0	0
23.	Aggregate write-ins for other liabilities (including \$.....5,631 current)	5,631	0	5,631	16,012
24.	TOTAL Liabilities (Lines 1 to 23)	24,343,716	0	24,343,716	22,671,634
25.	Aggregate write-ins for special surplus funds	X X X	X X X	0	0
26.	Common capital stock	X X X	X X X	0	0
27.	Preferred capital stock	X X X	X X X	0	0
28.	Gross paid in and contributed surplus	X X X	X X X	21,771,167	21,771,167
29.	Surplus notes	X X X	X X X	0	0
30.	Aggregate write-ins for other than special surplus funds	X X X	X X X	0	0
31.	Unassigned funds (surplus)	X X X	X X X	5,940,344	5,104,811
32.	Less treasury stock, at cost:				
32.1	.....0 shares common (value included in Line 26 \$.....0)	X X X	X X X	0	0
32.2	.....0 shares preferred (value included in Line 27 \$.....0)	X X X	X X X	0	0
33.	TOTAL Capital and Surplus (Lines 25 to 31 minus Line 32)	X X X	X X X	27,711,511	26,875,978
34.	TOTAL Liabilities, Capital and Surplus (Lines 24 and 33)	X X X	X X X	52,055,227	49,547,612
DETAILS OF WRITE-INS					
2301.	Other Current Liabilities	5,631	0	5,631	16,012
2302.	.....	0	0	0	0
2303.	.....	0	0	0	0
2398.	Summary of remaining write-ins for Line 23 from overflow page	0	0	0	0
2399.	TOTALS (Lines 2301 through 2303 plus 2398) (Line 23 above)	5,631	0	5,631	16,012
2501.	.....	X X X	X X X	0	0
2502.	.....	X X X	X X X	0	0
2503.	.....	X X X	X X X	0	0
2598.	Summary of remaining write-ins for Line 25 from overflow page	X X X	X X X	0	0
2599.	TOTALS (Lines 2501 through 2503 plus 2598) (Line 25 above)	X X X	X X X	0	0
3001.	.....	X X X	X X X	0	0
3002.	.....	X X X	X X X	0	0
3003.	.....	X X X	X X X	0	0
3098.	Summary of remaining write-ins for Line 30 from overflow page	X X X	X X X	0	0
3099.	TOTALS (Lines 3001 through 3003 plus 3098) (Line 30 above)	X X X	X X X	0	0

STATEMENT OF REVENUE AND EXPENSES

		Current Year		Prior Year
		1 Uncovered	2 Total	3 Total
1.	Member Months	X X X	798,260	825,861
2.	Net premium income (including \$.....0 non-health premium income)	X X X	211,635,000	220,367,505
3.	Change in unearned premium reserves and reserve for rate credits	X X X	0	0
4.	Fee-for-service (net of \$.....0 medical expenses)	X X X	0	0
5.	Risk revenue	X X X	0	0
6.	Aggregate write-ins for other health care related revenues	X X X	0	0
7.	Aggregate write-ins for other non-health revenues	X X X	0	0
8.	TOTAL Revenues (Lines 2 to 7)	X X X	211,635,000	220,367,505
Hospital and Medical:				
9.	Hospital/medical benefits	0	149,638,497	149,715,533
10.	Other professional services	0	0	0
11.	Outside referrals	0	0	0
12.	Emergency room and out-of-area	0	12,215,381	12,773,160
13.	Prescription drugs	0	24,366,751	23,568,518
14.	Aggregate write-ins for other hospital and medical	0	1,394,076	961,686
15.	Incentive pool, withhold adjustments and bonus amounts	0	3,497,246	4,637,677
16.	Subtotal (Lines 9 to 15)	0	191,111,951	191,656,574
Less:				
17.	Net reinsurance recoveries	0	0	0
18.	TOTAL Hospital and Medical (Lines 16 minus 17)	0	191,111,951	191,656,574
19.	Non-health claims (net)	0	0	0
20.	Claims adjustment expenses, including \$.....2,696,606 cost containment expenses	0	5,034,032	5,167,381
21.	General administrative expenses	0	15,468,290	27,195,189
22.	Increase in reserves for life and accident and health contracts (including \$.....0 increase in reserves for life only)	0	0	0
23.	TOTAL Underwriting Deductions (Lines 18 through 22)	0	211,614,273	224,019,144
24.	Net underwriting gain or (loss) (Lines 8 minus 23)	X X X	20,727	(3,651,639)
25.	Net investment income earned (Exhibit of Net Investment Income, Line 17)	0	325,155	326,578
26.	Net realized capital gains (losses) less capital gains tax of \$.....0	0	101,817	7,961
27.	Net investment gains (losses) (Lines 25 plus 26)	0	426,972	334,539
28.	Net gain or (loss) from agents' or premium balances charged off [(amount recovered \$.....0) (amount charged off \$.....0)]	0	0	0
29.	Aggregate write-ins for other income or expenses	0	0	0
30.	Net income or (loss) after capital gains tax and before all other federal income taxes (Lines 24 plus 27 plus 28 plus 29)	X X X	447,699	(3,317,100)
31.	Federal and foreign income taxes incurred	X X X	0	0
32.	Net income (loss) (Lines 30 minus 31)	X X X	447,699	(3,317,100)
DETAILS OF WRITE-INS				
0601.	.....	X X X	0	0
0602.	.....	X X X	0	0
0603.	.....	X X X	0	0
0698.	Summary of remaining write-ins for Line 6 from overflow page	X X X	0	0
0699.	TOTALS (Lines 0601 through 0603 plus 0698) (Line 6 above)	X X X	0	0
0701.	.....	X X X	0	0
0702.	.....	X X X	0	0
0703.	.....	X X X	0	0
0798.	Summary of remaining write-ins for Line 7 from overflow page	X X X	0	0
0799.	TOTALS (Line 0701 through 0703 plus 0798) (Line 7 above)	X X X	0	0
1401.	Other Medical	0	1,394,076	961,686
1402.	.....	0	0	0
1403.	.....	0	0	0
1498.	Summary of remaining write-ins for Line 14 from overflow page	0	0	0
1499.	TOTALS (Lines 1401 through 1403 plus 1498) (Line 14 above)	0	1,394,076	961,686
2901.	.....	0	0	0
2902.	.....	0	0	0
2903.	.....	0	0	0
2998.	Summary of remaining write-ins for Line 29 from overflow page	0	0	0
2999.	TOTALS (Line 2901 through 2903 plus 2998) (Line 29 above)	0	0	0

STATEMENT OF REVENUE AND EXPENSES (Continued)

		1	2
		Current Year	Prior Year
CAPITAL & SURPLUS ACCOUNT			
33.	Capital and surplus prior reporting year	26,875,978	32,361,184
34.	Net income or (loss) from Line 32	447,699	(3,317,100)
35.	Change in valuation basis of aggregate policy and claim reserves	0	0
36.	Change in net unrealized capital gains (losses) less capital gains tax of \$.....0	387,834	131,894
37.	Change in net unrealized foreign exchange capital gain or (loss)	0	0
38.	Change in net deferred income tax	0	0
39.	Change in nonadmitted assets	0	0
40.	Change in unauthorized and certified reinsurance	0	0
41.	Change in treasury stock	0	0
42.	Change in surplus notes	0	0
43.	Cumulative effect of changes in accounting principles	0	0
44.	Capital Changes:		
44.1	Paid in	0	0
44.2	Transferred from surplus (Stock Dividend)	0	0
44.3	Transferred to surplus	0	0
45.	Surplus adjustments:		
45.1	Paid in	0	0
45.2	Transferred to capital (Stock Dividend)	0	0
45.3	Transferred from capital	0	0
46.	Dividends to stockholders	0	(2,300,000)
47.	Aggregate write-ins for gains or (losses) in surplus	0	0
48.	Net change in capital and surplus (Lines 34 to 47)	835,533	(5,485,206)
49.	Capital and surplus end of reporting year (Line 33 plus 48)	27,711,511	26,875,978
DETAILS OF WRITE-INS			
4701.	.....	0	0
4702.	.....	0	0
4703.	.....	0	0
4798.	Summary of remaining write-ins for Line 47 from overflow page	0	0
4799.	TOTALS (Lines 4701 through 4703 plus 4798) (Line 47 above)	0	0

CASH FLOW

		1	2
		Current Year	Prior Year
Cash from Operations			
1.	Premiums collected net of reinsurance	210,694,418	221,729,512
2.	Net investment income	406,998	433,417
3.	Miscellaneous income	0	0
4.	Total (Lines 1 through 3)	211,101,416	222,162,929
5.	Benefit and loss related payments	191,479,501	193,904,290
6.	Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts	0	0
7.	Commissions, expenses paid and aggregate write-ins for deductions	20,209,007	32,188,067
8.	Dividends paid to policyholders	0	0
9.	Federal and foreign income taxes paid (recovered) net of \$.....0 tax on capital gains (losses)	0	0
10.	Total (Lines 5 through 9)	211,688,508	226,092,357
11.	Net cash from operations (Line 4 minus Line 10)	(587,092)	(3,929,428)
Cash from Investments			
12.	Proceeds from investments sold, matured or repaid:		
12.1	Bonds	9,600,000	0
12.2	Stocks	619,341	7,961
12.3	Mortgage loans	0	0
12.4	Real estate	0	0
12.5	Other invested assets	0	0
12.6	Net gains or (losses) on cash, cash equivalents and short-term investments	0	0
12.7	Miscellaneous proceeds	0	0
12.8	Total investment proceeds (Lines 12.1 to 12.7)	10,219,341	7,961
13.	Cost of investments acquired (long-term only):		
13.1	Bonds	0	0
13.2	Stocks	5,869,250	227,263
13.3	Mortgage loans	0	0
13.4	Real estate	0	0
13.5	Other invested assets	0	0
13.6	Miscellaneous applications	0	0
13.7	Total investments acquired (Lines 13.1 to 13.6)	5,869,250	227,263
14.	Net increase (decrease) in contract loans and premium notes	0	0
15.	Net cash from investments (Line 12.8 minus Line 13.7 minus Line 14)	4,350,091	(219,302)
Cash from Financing and Miscellaneous Sources			
16.	Cash provided (applied):		
16.1	Surplus notes, capital notes	0	0
16.2	Capital and paid in surplus, less treasury stock	0	0
16.3	Borrowed funds	0	0
16.4	Net deposits on deposit-type contracts and other insurance liabilities	0	0
16.5	Dividends to stockholders	0	2,300,000
16.6	Other cash provided (applied)	386,473	(1,290,556)
17.	Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6)	386,473	(3,590,556)
RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS			
18.	Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17)	4,149,472	(7,739,286)
19.	Cash, cash equivalents and short-term investments:		
19.1	Beginning of year	28,935,579	36,674,865
19.2	End of year (Line 18 plus Line 19.1)	33,085,051	28,935,579

Note: Supplemental Disclosures of Cash Flow Information for Non-Cash Transactions:

20.0001	0	0
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ANALYSIS OF OPERATIONS BY LINES OF BUSINESS

		1	2	3	4	5	6	7	8	9	10
		Total	Comprehensive (Hospital & Medical)	Medicare Supplement	Dental Only	Vision Only	Federal Employees Health Benefit Plan	Title XVIII Medicare	Title XIX Medicaid	Other Health	Other Non-Health
1.	Net premium income	211,635,000	0	0	0	0	0	0	211,635,000	0	0
2.	Change in unearned premium reserves and reserve for rate credit	0	0	0	0	0	0	0	0	0	0
3.	Fee-for-service (net of \$.....0 medical expenses)	0	0	0	0	0	0	0	0	0	X X X
4.	Risk revenue	0	0	0	0	0	0	0	0	0	X X X
5.	Aggregate write-ins for other health care related revenues	0	0	0	0	0	0	0	0	0	X X X
6.	Aggregate write-ins for other non-health care related revenues	0	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	0
7.	TOTAL Revenues (Lines 1 to 6)	211,635,000	0	0	0	0	0	0	211,635,000	0	0
8.	Hospital/medical benefits	149,638,497	0	0	0	0	0	0	149,638,497	0	X X X
9.	Other professional services	0	0	0	0	0	0	0	0	0	X X X
10.	Outside referrals	0	0	0	0	0	0	0	0	0	X X X
11.	Emergency room and out-of-area	12,215,381	0	0	0	0	0	0	12,215,381	0	X X X
12.	Prescription drugs	24,366,751	0	0	0	0	0	0	24,366,751	0	X X X
13.	Aggregate write-ins for other hospital and medical	1,394,076	0	0	0	0	0	0	1,394,076	0	X X X
14.	Incentive pool, withhold adjustments and bonus amounts	3,497,246	0	0	0	0	0	0	3,497,246	0	X X X
15.	Subtotal (Lines 8 to 14)	191,111,951	0	0	0	0	0	0	191,111,951	0	X X X
16.	Net reinsurance recoveries	0	0	0	0	0	0	0	0	0	X X X
17.	TOTAL Hospital and Medical (Lines 15 minus 16)	191,111,951	0	0	0	0	0	0	191,111,951	0	X X X
18.	Non-health claims (net)	0	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	0
19.	Claims adjustment expenses including \$.....2,696,606 cost containment expenses	5,034,032	0	0	0	0	0	0	5,034,032	0	0
20.	General administrative expenses	15,468,290	0	0	0	0	0	0	15,468,290	0	0
21.	Increase in reserves for accident and health contracts	0	0	0	0	0	0	0	0	0	X X X
22.	Increase in reserves for life contracts	0	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	0
23.	TOTAL Underwriting Deductions (Lines 17 to 22)	211,614,273	0	0	0	0	0	0	211,614,273	0	0
24.	Net underwriting gain or (loss) (Line 7 minus Line 23)	20,727	0	0	0	0	0	0	20,727	0	0
DETAILS OF WRITE-INS											
0501.	.....	0	0	0	0	0	0	0	0	0	X X X
0502.	.....	0	0	0	0	0	0	0	0	0	X X X
0503.	.....	0	0	0	0	0	0	0	0	0	X X X
0598.	Summary of remaining write-ins for Line 5 from overflow page	0	0	0	0	0	0	0	0	0	X X X
0599.	TOTALS (Lines 0501 through 0503 plus 0598) (Line 5 above)	0	0	0	0	0	0	0	0	0	X X X
0601.	.....	0	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	0
0602.	.....	0	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	0
0603.	.....	0	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	0
0698.	Summary of remaining write-ins for Line 6 from overflow page	0	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	0
0699.	TOTALS (Lines 0601 through 0603 plus 0698) (Line 6 above)	0	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	0
1301.	Other Medical	1,394,076	0	0	0	0	0	0	1,394,076	0	X X X
1302.	.....	0	0	0	0	0	0	0	0	0	X X X
1303.	.....	0	0	0	0	0	0	0	0	0	X X X
1398.	Summary of remaining write-ins for Line 13 from overflow page	0	0	0	0	0	0	0	0	0	X X X
1399.	TOTALS (Lines 1301 through 1303 plus 1398) (Line 13 above)	1,394,076	0	0	0	0	0	0	1,394,076	0	X X X

UNDERWRITING AND INVESTMENT EXHIBIT
PART 1 - PREMIUMS

		1	2	3	4
		Direct	Reinsurance	Reinsurance	Net Premium
Line of Business		Business	Assumed	Ceded	Income
					(Columns
					1 + 2 - 3)
1.	Comprehensive (hospital and medical)	0	0	0	0
2.	Medicare Supplement	0	0	0	0
3.	Dental only	0	0	0	0
4.	Vision only	0	0	0	0
5.	Federal Employees Health Benefits Plan	0	0	0	0
6.	Title XVIII - Medicare	0	0	0	0
7.	Title XIX - Medicaid	211,730,613	0	95,613	211,635,000
8.	Other health	0	0	0	0
9.	Health subtotal (Lines 1 through 8)	211,730,613	0	95,613	211,635,000
10.	Life	0	0	0	0
11.	Property/casualty	0	0	0	0
12.	TOTALS (Lines 9 to 11)	211,730,613	0	95,613	211,635,000

UNDERWRITING AND INVESTMENT EXHIBIT
PART 2 - CLAIMS INCURRED DURING THE YEAR

	1	2	3	4	5	6	7	8	9	10
	Total	Comprehensive (Hospital & Medical)	Medicare Supplement	Dental Only	Vision Only	Federal Employees Health Benefits Plan	Title XVIII Medicare	Title XIX Medicaid	Other Health	Other Non-Health
1. Payments during the year:										
1.1 Direct	187,824,829	0	0	0	0	0	0	187,824,829	0	0
1.2 Reinsurance assumed	0	0	0	0	0	0	0	0	0	0
1.3 Reinsurance ceded	0	0	0	0	0	0	0	0	0	0
1.4 Net	187,824,829	0	0	0	0	0	0	187,824,829	0	0
2. Paid medical incentive pools and bonuses	3,654,671	0	0	0	0	0	0	3,654,671	0	0
3. Claim liability December 31, current year from Part 2A:										
3.1 Direct	20,435,203	0	0	0	0	0	0	20,435,203	0	0
3.2 Reinsurance assumed	0	0	0	0	0	0	0	0	0	0
3.3 Reinsurance ceded	0	0	0	0	0	0	0	0	0	0
3.4 Net	20,435,203	0	0	0	0	0	0	20,435,203	0	0
4. Claim reserve December 31, current year from Part 2D:										
4.1 Direct	0	0	0	0	0	0	0	0	0	0
4.2 Reinsurance assumed	0	0	0	0	0	0	0	0	0	0
4.3 Reinsurance ceded	0	0	0	0	0	0	0	0	0	0
4.4 Net	0	0	0	0	0	0	0	0	0	0
5. Accrued medical incentive pools and bonuses, current year	2,594,420	0	0	0	0	0	0	2,594,420	0	0
6. Net healthcare receivables (a)	1,619,919	0	0	0	0	0	0	1,619,919	0	0
7. Amounts recoverable from reinsurers December 31, current year	0	0	0	0	0	0	0	0	0	0
8. Claim liability December 31, prior year from Part 2A:										
8.1 Direct	19,025,408	0	0	0	0	0	0	19,025,408	0	0
8.2 Reinsurance assumed	0	0	0	0	0	0	0	0	0	0
8.3 Reinsurance ceded	0	0	0	0	0	0	0	0	0	0
8.4 Net	19,025,408	0	0	0	0	0	0	19,025,408	0	0
9. Claim reserve December 31, prior year from Part 2D:										
9.1 Direct	0	0	0	0	0	0	0	0	0	0
9.2 Reinsurance assumed	0	0	0	0	0	0	0	0	0	0
9.3 Reinsurance ceded	0	0	0	0	0	0	0	0	0	0
9.4 Net	0	0	0	0	0	0	0	0	0	0
10. Accrued medical incentive pools and bonuses, prior year	2,751,845	0	0	0	0	0	0	2,751,845	0	0
11. Amounts recoverable from reinsurers December 31, prior year	0	0	0	0	0	0	0	0	0	0
12. Incurred benefits:										
12.1 Direct	187,614,705	0	0	0	0	0	0	187,614,705	0	0
12.2 Reinsurance assumed	0	0	0	0	0	0	0	0	0	0
12.3 Reinsurance ceded	0	0	0	0	0	0	0	0	0	0
12.4 Net	187,614,705	0	0	0	0	0	0	187,614,705	0	0
13. Incurred medical incentive pools and bonuses	3,497,246	0	0	0	0	0	0	3,497,246	0	0

(a) Excludes \$.00 loans or advances to providers not yet expensed.

UNDERWRITING AND INVESTMENT EXHIBIT
PART 2A - CLAIMS LIABILITY END OF CURRENT YEAR

	1	2	3	4	5	6	7	8	9	10
	Total	Compre- hensive (Hospital & Medical)	Medicare Supplement	Dental Only	Vision Only	Federal Employees Health Benefits Plan	Title XVIII Medicare	Title XIX Medicaid	Other Health	Other Non-Health
1. Reported in Process of Adjustment:										
1.1 Direct	5,327,568	0	0	0	0	0	0	5,327,568	0	0
1.2 Reinsurance assumed	0	0	0	0	0	0	0	0	0	0
1.3 Reinsurance ceded	0	0	0	0	0	0	0	0	0	0
1.4 Net	5,327,568	0	0	0	0	0	0	5,327,568	0	0
2. Incurred but Unreported:										
2.1 Direct	14,597,255	0	0	0	0	0	0	14,597,255	0	0
2.2 Reinsurance assumed	0	0	0	0	0	0	0	0	0	0
2.3 Reinsurance ceded	0	0	0	0	0	0	0	0	0	0
2.4 Net	14,597,255	0	0	0	0	0	0	14,597,255	0	0
3. Amounts Withheld from Paid Claims and Capitations:										
3.1 Direct	510,380	0	0	0	0	0	0	510,380	0	0
3.2 Reinsurance assumed	0	0	0	0	0	0	0	0	0	0
3.3 Reinsurance ceded	0	0	0	0	0	0	0	0	0	0
3.4 Net	510,380	0	0	0	0	0	0	510,380	0	0
4. TOTALS										
4.1 Direct	20,435,203	0	0	0	0	0	0	20,435,203	0	0
4.2 Reinsurance assumed	0	0	0	0	0	0	0	0	0	0
4.3 Reinsurance ceded	0	0	0	0	0	0	0	0	0	0
4.4 Net	20,435,203	0	0	0	0	0	0	20,435,203	0	0

UNDERWRITING AND INVESTMENT EXHIBIT
PART 2B - ANALYSIS OF CLAIMS UNPAID-PRIOR YEAR-NET OF REINSURANCE

Line of Business		Claims Paid During the Year		Claim Reserve and Claim Liability December 31 of Current Year		5	6
		1 On Claims Incurred Prior to January 1 of Current Year	2 On Claims Incurred During the Year	3 On Claims Unpaid December 31 of Prior Year	4 On Claims Incurred During the Year	Claims Incurred in Prior Years (Columns 1 + 3)	Estimated Claim Reserve and Claim Liability December 31 of Prior Year
1.	Comprehensive (hospital and medical)	0	0	0	0	0	0
2.	Medicare Supplement	0	0	0	0	0	0
3.	Dental only	0	0	0	0	0	0
4.	Vision only	0	0	0	0	0	0
5.	Federal Employees Health Benefits Plan	0	0	0	0	0	0
6.	Title XVIII - Medicare	0	0	0	0	0	0
7.	Title XIX - Medicaid	16,815,456	171,615,641	740,193	19,695,011	17,555,649	19,025,408
8.	Other health	0	0	0	0	0	0
9.	Health subtotal (Lines 1 to 8)	16,815,456	171,615,641	740,193	19,695,011	17,555,649	19,025,408
10.	Healthcare receivables (a)	605,060	1,208	395,067	2,139,534	1,000,127	914,682
11.	Other non-health	0	0	0	0	0	0
12.	Medical incentive pool and bonus amounts	2,167,167	1,487,504	817,882	1,776,538	2,985,049	2,751,845
13.	TOTALS (Lines 9 - 10 + 11 + 12)	18,377,563	173,101,937	1,163,008	19,332,015	19,540,571	20,862,571

(a) Excludes \$.00 loans or advances to providers not yet expensed.

UNDERWRITING AND INVESTMENT EXHIBIT
PART 2C - DEVELOPMENT OF PAID AND INCURRED HEALTH CLAIMS (000 Omitted)

Grand Total

Section A - Paid Health Claims

Year in Which Losses Were Incurred		Cumulative Net Amounts Paid				
		1 2008	2 2009	3 2010	4 2011	5 2012
1.	Prior	13,737	0	0	0	0
2.	2008	153,977	16,503	0	0	0
3.	2009	X X X	165,381	21,405	0	0
4.	2010	X X X	X X X	169,978	24,575	0
5.	2011	X X X	X X X	X X X	169,329	18,378
6.	2012	X X X	X X X	X X X	X X X	173,459

Section B - Incurred Health Claims

Year in Which Losses Were Incurred		Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
		1 2008	2 2009	3 2010	4 2011	5 2012
1.	Prior	14,543	0	0	0	0
2.	2008	174,167	17,030	0	0	0
3.	2009	X X X	188,701	22,927	0	0
4.	2010	X X X	X X X	192,177	25,095	0
5.	2011	X X X	X X X	X X X	190,587	19,935
6.	2012	X X X	X X X	X X X	X X X	194,931

Section C - Incurred Year Health Claims and Claims Adjustment Expense Ratio

Years in Which Premiums were Earned and Claims were Incurred		1 Premiums Earned	2 Claims Payments	3 Claim Adjustment Expense Payments	4 (Col. 3/2) Percent	5 Claim and Claim Adjustment Expense Payments (Col. 2 + 3)	6 (Col. 5/1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5 + 7 + 8)	10 (Col. 9/1) Percent
1.	2008	196,586	170,480	3,909	2.293	174,389	88.709	0	0	174,389	88.709
2.	2009	222,653	186,785	3,067	1.642	189,852	85.268	0	0	189,852	85.268
3.	2010	230,220	194,553	4,944	2.541	199,497	86.655	0	0	199,497	86.655
4.	2011	220,475	187,707	5,079	2.706	192,786	87.441	1,558	0	194,344	88.148
5.	2012	211,731	173,459	4,585	2.643	178,044	84.090	21,472	376	199,892	94.408

12 Total

12	Underwriting Invest Exh Pt 2C Sn A - Paid Claims - Hospital and Medical	NONE
12	Underwriting Invest Exh Pt 2C Sn B - Incur. Claims - Hospital and Medical . . .	NONE
12	Underwriting Invest Exh Pt 2C Sn C - Expns Ratios - Hospital and Medical . . .	NONE
12	Underwriting Invest Exh Pt 2C Sn A - Paid Claims - Medicare Supplement	NONE
12	Underwriting Invest Exh Pt 2C Sn B - Incur. Claims - Medicare Supplement . . .	NONE
12	Underwriting Invest Exh Pt 2C Sn C - Expns Ratios - Medicare Supplement . . .	NONE
12	Underwriting Invest Exh Pt 2C Sn A - Paid Claims - Dental Only	NONE
12	Underwriting Invest Exh Pt 2C Sn B - Incur. Claims - Dental Only	NONE
12	Underwriting Invest Exh Pt 2C Sn C - Expns Ratios - Dental Only	NONE
12	Underwriting Invest Exh Pt 2C Sn A - Paid Claims - Vision Only	NONE
12	Underwriting Invest Exh Pt 2C Sn B - Incur. Claims - Vision Only	NONE
12	Underwriting Invest Exh Pt 2C Sn C - Expns Ratios - Vision Only	NONE
12	Underwriting Invest Exh Pt 2C Sn A - Paid Claims - Fed Emp HBPP	NONE
12	Underwriting Invest Exh Pt 2C Sn B - Incur. Claims - Fed Emp HBPP	NONE
12	Underwriting Invest Exh Pt 2C Sn C - Expns Ratios - Fed Emp HBPP	NONE
12	Underwriting Invest Exh Pt 2C Sn A - Paid Claims - Title XVIII-Medicare	NONE
12	Underwriting Invest Exh Pt 2C Sn B - Incur. Claims - Title XVIII-Medicare	NONE
12	Underwriting Invest Exh Pt 2C Sn C - Expns Ratios - Title XVIII-Medicare	NONE

UNDERWRITING AND INVESTMENT EXHIBIT
PART 2C - DEVELOPMENT OF PAID AND INCURRED HEALTH CLAIMS (000 Omitted)

Title XIX - Medicaid

Section A - Paid Health Claims

Year in Which Losses Were Incurred		Cumulative Net Amounts Paid				
		1 2008	2 2009	3 2010	4 2011	5 2012
1.	Prior	13,737	0	0	0	0
2.	2008	153,977	16,503	0	0	0
3.	2009	X X X	165,381	21,405	0	0
4.	2010	X X X	X X X	169,978	24,575	0
5.	2011	X X X	X X X	X X X	169,329	18,378
6.	2012	X X X	X X X	X X X	X X X	173,459

Section B - Incurred Health Claims

Year in Which Losses Were Incurred		Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
		1 2008	2 2009	3 2010	4 2011	5 2012
1.	Prior	14,543	0	0	0	0
2.	2008	174,167	17,030	0	0	0
3.	2009	X X X	188,701	22,927	0	0
4.	2010	X X X	X X X	192,177	25,095	0
5.	2011	X X X	X X X	X X X	190,587	19,935
6.	2012	X X X	X X X	X X X	X X X	194,931

Section C - Incurred Year Health Claims and Claims Adjustment Expense Ratio

Years in Which Premiums were Earned and Claims were Incurred		1 Premiums Earned	2 Claims Payments	3 Claim Adjustment Expense Payments	4 (Col. 3/2) Percent	5 Claim and Claim Adjustment Expense Payments (Col. 2 + 3)	6 (Col. 5/1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5 + 7 + 8)	10 (Col. 9/1) Percent
1.	2008	196,586	170,480	3,909	2.293	174,389	88.709	0	0	174,389	88.709
2.	2009	222,653	186,785	3,067	1.642	189,852	85.268	0	0	189,852	85.268
3.	2010	230,220	194,553	4,944	2.541	199,497	86.655	0	0	199,497	86.655
4.	2011	220,475	187,707	5,079	2.706	192,786	87.441	1,558	0	194,344	88.148
5.	2012	211,731	173,459	4,585	2.643	178,044	84.090	21,472	376	199,892	94.408

12 Underwriting Invest Exh Pt 2C Sn A - Paid Claims - Other NONE

12 Underwriting Invest Exh Pt 2C Sn B - Incur Claims - Other NONE

12 Underwriting Invest Exh Pt 2C Sn C - Expns Ratios - Other NONE

13 Underwriting Invest Exh Pt 2D - A & H Reserve NONE

UNDERWRITING AND INVESTMENT EXHIBIT
PART 3 - ANALYSIS OF EXPENSES

		Claim Adjustment Expenses		3	4	5
		1	2			
		Cost Containment Expenses	Other Claim Adjustment Expenses	General Administrative Expenses	Investment Expenses	Total
1.	Rent (\$.....214,119 for occupancy of own building)	0	0	214,119	0	214,119
2.	Salaries, wages and other benefits	1,706,919	1,339,702	7,016,211	0	10,062,832
3.	Commissions (less \$.....0 ceded plus \$.....0 assumed)	0	0	0	0	0
4.	Legal fees and expenses	0	0	46,616	0	46,616
5.	Certifications and accreditation fees	0	0	77,996	0	77,996
6.	Auditing, actuarial and other consulting services	24	0	156,259	0	156,283
7.	Traveling expenses	30,103	6,688	123,196	0	159,987
8.	Marketing and advertising	24,602	28	162,963	0	187,593
9.	Postage, express and telephone	59,427	124,434	184,021	0	367,882
10.	Printing and office supplies	57,626	17,210	232,702	0	307,538
11.	Occupancy, depreciation and amortization	150,044	76,126	279,271	0	505,441
12.	Equipment	442	140	43,802	0	44,384
13.	Cost or depreciation of EDP equipment and software	270,278	451,700	1,183,684	0	1,905,662
14.	Outsourced services including EDP, claims, and other services	212,404	199,816	608,155	0	1,020,375
15.	Boards, bureaus and association fees	2,852	3,683	0	0	6,535
16.	Insurance, except on real estate	0	0	79,163	0	79,163
17.	Collection and bank service charges	0	0	16,689	23,757	40,446
18.	Group service and administration fees	0	0	0	0	0
19.	Reimbursements by uninsured plans	0	0	0	0	0
20.	Reimbursements from fiscal intermediaries	0	0	0	0	0
21.	Real estate expenses	0	0	0	0	0
22.	Real estate taxes	0	0	21,214	0	21,214
23.	Taxes, licenses and fees:					
23.1	State and local insurance taxes	0	0	1,312,737	0	1,312,737
23.2	State premium taxes	0	0	3,244,025	0	3,244,025
23.3	Regulatory authority licenses and fees	0	0	0	0	0
23.4	Payroll taxes	123,542	100,879	401,514	0	625,935
23.5	Other (excluding federal income and real estate taxes)	0	0	321	0	321
24.	Investment expenses not included elsewhere	0	0	0	0	0
25.	Aggregate write-ins for expenses	58,343	17,020	63,632	0	138,995
26.	TOTAL Expenses Incurred (Lines 1 to 25)	2,696,606	2,337,426	15,468,290	23,757	(a) 20,526,079
27.	Less expenses unpaid December 31, current year	137,631	238,598	424,905	0	801,134
28.	Add expenses unpaid December 31, prior year	140,209	227,731	129,498	0	497,438
29.	Amounts receivable relating to uninsured plans, prior year	0	0	0	0	0
30.	Amounts receivable relating to uninsured plans, current year	0	0	0	0	0
31.	TOTAL Expenses Paid (Lines 26 minus 27 plus 28 minus 29 plus 30)	2,699,184	2,326,559	15,172,883	23,757	20,222,383
DETAILS OF WRITE-INS						
2501.	Conferences, Seminars and Training	5,166	1,588	18,171	0	24,925
2502.	Charitable Contributions	0	0	0	0	0
2503.	Interest Expense on Late Claims	0	4,862	(288)	0	4,574
2598.	Summary of remaining write-ins for Line 25 from overflow page	53,177	10,570	45,749	0	109,496
2599.	TOTALS (Lines 2501 through 2503 plus 2598) (Line 25 above)	58,343	17,020	63,632	0	138,995

(a) Includes management fees of \$.....15,850,875 to affiliates and \$.....0 to non-affiliates.

EXHIBIT OF NET INVESTMENT INCOME

		1	2
		Collected During Year	Earned During Year
1.	U.S. Government bonds	(a).....0	0
1.1	Bonds exempt from U.S. tax	(a).....0	0
1.2	Other bonds (unaffiliated)	(a).....141,000	59,183
1.3	Bonds of affiliates	(a).....0	0
2.1	Preferred stocks (unaffiliated)	(b).....0	0
2.11	Preferred stocks of affiliates	(b).....0	0
2.2	Common stocks (unaffiliated)	249,909	249,882
2.21	Common stocks of affiliates	0	0
3.	Mortgage loans	(c).....0	0
4.	Real estate	(d).....0	0
5.	Contract loans	0	0
6.	Cash, cash equivalents and short-term investments	(e).....39,846	39,847
7.	Derivative instruments	(f).....0	0
8.	Other invested assets	0	0
9.	Aggregate write-ins for investment income	0	0
10.	Total gross investment income	430,755	348,912
11.	Investment expenses		(g).....23,757
12.	Investment taxes, licenses and fees, excluding federal income taxes		(g).....0
13.	Interest expense		(h).....0
14.	Depreciation on real estate and other invested assets		(i).....0
15.	Aggregate write-ins for deductions from investment income		0
16.	Total deductions (Lines 11 through 15)		23,757
17.	Net Investment income (Line 10 minus Line 16)		325,155
DETAILS OF WRITE-INS			
0901.	.....	0	0
0902.	.....	0	0
0903.	.....	0	0
0998.	Summary of remaining write-ins for Line 9 from overflow page	0	0
0999.	TOTALS (Lines 0901 through 0903 plus 0998) (Line 9, above)	0	0
1501.	.....		0
1502.	.....		0
1503.	.....		0
1598.	Summary of remaining write-ins for Line 15 from overflow page		0
1599.	TOTALS (Lines 1501 through 1503 plus 1598) (Line 15, above)		0
(a) Includes \$.....0 accrual of discount less \$.....50,728 amortization of premium and less \$.....0 paid for accrued interest on purchases. (b) Includes \$.....0 accrual of discount less \$.....0 amortization of premium and less \$.....0 paid for accrued dividends on purchases. (c) Includes \$.....0 accrual of discount less \$.....0 amortization of premium and less \$.....0 paid for accrued interest on purchases. (d) Includes \$.....0 for company's occupancy of its own buildings; and excludes \$.....0 interest on encumbrances. (e) Includes \$.....0 accrual of discount less \$.....0 amortization of premium and less \$.....0 paid for accrued interest on purchases. (f) Includes \$.....0 accrual of discount less \$.....0 amortization of premium. (g) Includes \$.....0 investment expenses and \$.....0 investment taxes, licenses and fees, excluding federal income taxes, attributable to segregated and Separate Accounts. (h) Includes \$.....0 interest on surplus notes and \$.....0 interest on capital notes. (i) Includes \$.....0 depreciation on real estate and \$.....0 depreciation on other invested assets.			

EXHIBIT OF CAPITAL GAINS (LOSSES)

		1	2	3	4	5
		Realized Gain (Loss) on Sales or Maturity	Other Realized Adjustments	Total Realized Capital Gain (Loss) (Columns 1 + 2)	Change in Unrealized Capital Gain (Loss)	Change in Unrealized Foreign Exchange Capital Gain (Loss)
1.	U.S. Government bonds	0	0	0	0	0
1.1	Bonds exempt from U.S. tax	0	0	0	0	0
1.2	Other bonds (unaffiliated)	0	0	0	0	0
1.3	Bonds of affiliates	0	0	0	0	0
2.1	Preferred stocks (unaffiliated)	0	0	0	0	0
2.11	Preferred stocks of affiliates	0	0	0	0	0
2.2	Common stocks (unaffiliated)	101,517	0	101,517	387,834	0
2.21	Common stocks of affiliates	0	0	0	0	0
3.	Mortgage loans	0	0	0	0	0
4.	Real estate	0	0	0	0	0
5.	Contract loans	0	0	0	0	0
6.	Cash, cash equivalents and short-term investments	0	0	0	0	0
7.	Derivative instruments	0	0	0	0	0
8.	Other invested assets	0	0	0	0	0
9.	Aggregate write-ins for capital gains (losses)	0	0	0	0	0
10.	Total capital gains (losses)	101,517	0	101,517	387,834	0
DETAILS OF WRITE-INS						
0901.	.....	0	0	0	0	0
0902.	.....	0	0	0	0	0
0903.	.....	0	0	0	0	0
0998.	Summary of remaining write-ins for Line 9 from overflow page ..	0	0	0	0	0
0999.	TOTALS (Lines 0901 through 0903 plus 0998) (Line 9, above) ..	0	0	0	0	0

EXHIBIT OF NONADMITTED ASSETS

		1	2	3
		Current Year Total Nonadmitted Assets	Prior Year Total Nonadmitted Assets	Change in Total Nonadmitted Assets (Col. 2 - Col. 1)
1.	Bonds (Schedule D)	0	0	0
2.	Stocks (Schedule D):			
2.1	Preferred stocks	0	0	0
2.2	Common stocks	0	0	0
3.	Mortgage loans on real estate (Schedule B):			
3.1	First liens	0	0	0
3.2	Other than first liens	0	0	0
4.	Real estate (Schedule A):			
4.1	Properties occupied by the company	0	0	0
4.2	Properties held for the production of income	0	0	0
4.3	Properties held for sale	0	0	0
5.	Cash (Schedule E-Part 1), cash equivalents (Schedule E-Part 2) and short-term investments (Schedule DA)	0	0	0
6.	Contract loans	0	0	0
7.	Derivatives (Schedule DB)	0	0	0
8.	Other invested assets (Schedule BA)	0	0	0
9.	Receivables for securities	0	0	0
10.	Securities lending reinvested collateral assets (Schedule DL)	0	0	0
11.	Aggregate write-ins for invested assets	0	0	0
12.	Subtotals, cash and invested assets (Lines 1 to 11)	0	0	0
13.	Title plants (for Title insurers only)	0	0	0
14.	Invested income due and accrued	0	0	0
15.	Premium and considerations:			
15.1	Uncollected premiums and agents' balances in the course of collection	0	0	0
15.2	Deferred premiums, agents' balances and installments booked but deferred and not yet due	0	0	0
15.3	Accrued retrospective premiums	0	0	0
16.	Reinsurance:			
16.1	Amounts recoverable from reinsurers	0	0	0
16.2	Funds held by or deposited with reinsured companies	0	0	0
16.3	Other amounts receivable under reinsurance contracts	0	0	0
17.	Amounts receivable relating to uninsured plans	0	0	0
18.1	Current federal and foreign income tax recoverable and interest thereon	0	0	0
18.2	Net deferred tax asset	0	0	0
19.	Guaranty funds receivable or on deposit	0	0	0
20.	Electronic data processing equipment and software	0	0	0
21.	Furniture and equipment, including health care delivery assets	0	0	0
22.	Net adjustment in assets and liabilities due to foreign exchange rates	0	0	0
23.	Receivables from parent, subsidiaries and affiliates	0	0	0
24.	Health care and other amounts receivable	0	0	0
25.	Aggregate write-ins for other than invested assets	0	0	0
26.	Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)	0	0	0
27.	From Separate Accounts, Segregated Accounts and Protected Cell Accounts	0	0	0
28.	Total (Lines 26 and 27)	0	0	0
DETAILS OF WRITE-INS				
1101.	.....	0	0	0
1102.	.....	0	0	0
1103.	.....	0	0	0
1198.	Summary of remaining write-ins for Line 11 from overflow page	0	0	0
1199.	TOTALS (Lines 1101 through 1103 plus 1198) (Line 11 above)	0	0	0
2501.	.....	0	0	0
2502.	.....	0	0	0
2503.	.....	0	0	0
2598.	Summary of remaining write-ins for Line 25 from overflow page	0	0	0
2599.	TOTALS (Lines 2501 through 2503 plus 2598) (Line 25 above)	0	0	0

NONE

EXHIBIT 1 - ENROLLMENT BY PRODUCT TYPE FOR HEALTH BUSINESS ONLY

Source of Enrollment		Total Members at End of					6 Current Year Member Months
		1 Prior Year	2 First Quarter	3 Second Quarter	4 Third Quarter	5 Current Year	
1.	Health Maintenance Organizations	66,768	66,607	66,424	66,364	67,074	798,260
2.	Provider Service Organizations	0	0	0	0	0	0
3.	Preferred Provider Organizations	0	0	0	0	0	0
4.	Point of Service	0	0	0	0	0	0
5.	Indemnity Only	0	0	0	0	0	0
6.	Aggregate write-ins for other lines of business	0	0	0	0	0	0
7.	TOTAL	66,768	66,607	66,424	66,364	67,074	798,260
DETAILS OF WRITE-INS							
0601.	.....	0	0	0	0	0	0
0602.	.....	0	0	0	0	0	0
0603.	.....	0	0	0	0	0	0
0698.	Summary of remaining write-ins for Line 6 from overflow page	0	0	0	0	0	0
0699.	TOTALS (Lines 0601 through 0603 plus 0698) (Line 6 above)	0	0	0	0	0	0

Notes to Financial Statements

1. Summary of Significant Accounting Policies

A. Accounting Practices

The accompanying financial statements of HealthPlus Partners, Inc. (the Company) have been prepared in conformity with the 2012 NAIC Annual Statement Instructions and the NAIC Accounting Practices and Procedures Manual as of March 2012, to the extent that the accounting practices, procedures, and reporting standards are not modified by the Michigan Insurance Code or the 2012 Forms and Instructions for Required Filings in Michigan. The Company has no prescribed or permitted practices that affect net income, statutory surplus or risk-based capital to report.

B. Use of Estimates in the Preparation of the Financial Statements

The preparation of financial statements in conformity with Statutory Accounting Principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities. It also requires disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the period. Actual results could differ from those estimates.

C. Accounting Policy

Premium revenue is recognized in the month that members are entitled to health care services. The liability for incurred medical and hospital claims is accrued in the period during which the services are provided and includes estimates of services performed, which have not been reported to the Company.

In addition, the company uses the following accounting policies:

- 1) Short Term Investments are stated at amortized cost.
- 2) Long-term bonds are stated at amortized cost.
- 3) Common Stocks are reported at market value.
- 4) The Company has no Preferred Stocks to report.
- 5) The Company has no mortgage loans to report.
- 6) The Company has no Loan Backed Securities.
- 7) The Company has no investments in subsidiary, controlled, or affiliated entities.
- 8) The Company has no ownership interests in joint ventures, partnerships, or limited liability companies.
- 9) The Company has no derivatives to report.
- 10) The Company uses anticipated investment income in the calculation of premium deficiency reserves.
- 11) Unpaid claims include amounts determined from individual case estimates and amounts based on past experiences, for losses incurred but not reported. Such liabilities are necessarily based on assumptions and estimates and while management believes the amount is adequate, the ultimate liability may be in excess of or less than the amount provided. The methods for making such estimates and for establishing the resulting liability are continually reviewed and any adjustments are reflected in the period determined.
- 12) The Company has no capitalized assets.
- 13) Estimated pharmaceutical rebate receivables are based primarily on historical trends.

2. Accounting Changes and Corrections of Errors

- A. The Company did not discover any material errors or make any changes in accounting principles as of the Year Ended December 31, 2012.

3. Business Combinations and Goodwill

- A. Statutory Purchase Method – None
- B. Statutory Merger – None

Notes to Financial Statements

- C. Assumption Reinsurance – None
- D. Impairment Loss – None

4. Discontinued Operations

None.

5. Investments

- A. Mortgage Loans, including Mezzanine Real Estate Loans – None
- B. Debt Restructuring – None
- C. Reverse Mortgages – None
- D. Loan-Backed Securities – None
- E. Repurchase Agreements and/or Securities Lending Transactions – None
- F. Real Estate – None
- G. Investments in Low-Income Housing Tax Credits (LIHTC) - None

6. Joint Ventures, Partnerships and Limited Liability Companies

None.

7. Investment Income

- A. The Company has not excluded from surplus any investment income due and accrued.
- B. Total amount excluded was \$0

8. Derivative Instruments

None.

9. Income Taxes

- A. Components of Deferred Tax Assets and Deferred Tax Liabilities – None
- B. Unrecognized Deferred Tax Liabilities – None
- C. Components of income tax incurred – The Company is exempt from Federal income tax under Internal Revenue Code Section 501(c)(4).
- D. Book to tax adjustments – None
- E. Loss carry forwards and credit carry forwards – None
- F. Consolidated tax return - None

10. Information Concerning Parent, Subsidiaries and Affiliates

A., B. & C.

HealthPlusPartners, Inc. is a wholly owned subsidiary of HealthPlus of Michigan, Inc. The Company has entered into agreements with its parent for the provision of administrative services. These services amounted to \$15,850,875 as of December 31, 2012 and \$18,860,470 as of December 31, 2011.

D. The Company reported receivables from PSA entities of \$899,671 as of December 31, 2012 and \$1,159,747 as of December 31, 2011, and payables to PSA entities of \$507,328 at December 31, 2012 and \$380,931 at December 31, 2011. These amounts are settled monthly.

E. Affiliate guarantees – None

F. The Company has entered into agreements with its parent for the provision of administrative services. Administrative expenses are allocated based on adjusted premium revenue.

G. The nature of the control relationship does not result in the operating results or financial

Notes to Financial Statements

position being significantly different than those that would have been obtained if the enterprises were autonomous.

H. Ownership in an upstream Parent or Affiliate – None

I. Investments exceeding 10% of the admitted asset – None

J. Investments in Impaired Subsidiaries – None

K. Investments in Foreign Insurance Subsidiary – None

L. Investment in Downstream Non-insurance Holding Company – None

11. Debt

A. Debt, including Capital Notes and Holding Company Obligations – None

B. Federal Home Loan Bank (FHLB) agreements - None

12. Retirement Plans, Deferred Compensation, Postemployment Benefits and Compensated Absences and Other Postretirement Benefit Plans

A. Defined Benefit Plan – None

B. Defined Contribution Plan – None

C. Multiemployer Plans – None

D. Consolidated/Holding Company Plans – None

E. Postemployment Benefits and Compensated Absences – None

F. Impact of Medicare Modernization Act on Postretirement Benefits (INT 04-17) – None

13. Capital and Surplus, Shareholders' Dividend Restrictions and Quasi-Reorganizations

1) Capital Stock – The Company has 4,271,167 shares of no par common stock issued and outstanding.

2) Preferred Stock – None

3) Dividend Restrictions – Dividend are restricted by the State of Michigan to earned surplus, excluding unrealized capital gains, and amounts relating to minimum surplus requirements.

4) Dividends Paid – None.

5) Portion of profits that may be paid as dividends – The portion of profits that may be paid as dividends is restricted to amounts relating to minimum surplus requirements, as noted in (3) above.

6) Restrictions on Unassigned Funds (Surplus) – None

7) Advances to Surplus – Not Applicable

8) Stock held for special purposes – None

9) Changes in special surplus funds – None

10) The portion of unassigned funds (surplus) represented or reduced by cumulative unrealized gains and losses was \$1,641,109 at December 31, 2012 and \$1,253,275 at December 31, 2011.

11) Surplus debentures or similar obligations – None

12) Impact of prior quasi-reorganizations – None

13) Effective dates of quasi-reorganizations in the prior ten years – None

14. Contingencies

A. Contingent Commitments – None

B. Assessments – None

C. Gain Contingencies – None

Notes to Financial Statements

- D. Claims related extra contractual obligation and bad faith losses stemming from lawsuits – None
- E. All Other Contingencies – In the normal course of business, HealthPlus Partners, Inc. is a party to certain legal matters. Management is of the opinion that resolution of these matters will not have a material effect on the Company’s financial position or results of operations. The Company has no assets that it considers to be impaired.

15. Leases

- A. Lessee Operating Leases – None
- B. Lessor Leases and Leveraged Leases – None

16. Financial Instruments with Off-Balance Sheet Risk and Financial Instruments with Concentrations of Credit Risk.

None.

17. Sale, Transfer and Servicing of Financial Assets and Extinguishments of Liabilities

- A. Transfers of Receivables Reported as Sales – None
- B. Transfer and Servicing of Financial Assets – None
- C. Wash Sales – None

18. Gain or Loss to the Reporting Entity from Uninsured A&H Plans and the Uninsured Portion of Partially Insured Plans

- A. ASO Plans – None
- B. ASC Plans – None
- C. Medicare or Other Similarly Structured Cost Based Reimbursement Contract – None

19. Direct Premium Written/Produced by Managing General Agents/Third Party Administrators

None.

20. Fair Value Measurements

A.

1) Fair Value Measurements at Reporting Date

Description	Level 1	Level 2	Level 3	Total
a. Assets at fair value				
Common Stocks	\$13,171,179	\$0	\$0	\$13,171,179
b. Liabilities at fair value	\$0	\$0	\$0	\$0

2) Fair Value Measurements in (Level 3) of the Fair Value Hierarchy – None

B. Other Fair Value Measurements – None

C. Aggregate Fair Value and Admitted Value for all Financial Instruments

Type of Financial Instrument	Aggregate Fair Value	Admitted Assets	Level 1	Level 2	Level 3	Not Practicable (Carrying Value)
Common Stock	\$13,171,179	\$13,171,179	\$13,171,179	\$0	\$0	\$0

Notes to Financial Statements

D. Not Practicable to Estimate Fair Value - None

21. Other Items

A. Extraordinary Items – None

B. Troubled Debt Restructuring: Debtors – None

C. Other Disclosures

Statutory Reserve: As a condition of licensure with the State of Michigan, the Company maintains a deposit in the amount of \$1,000,000 in a segregated account and can only be used by the Company at the discretion of the Insurance Commissioner. These funds are invested in an exempt money market mutual fund and reported in short-term investments. Interest on these funds accrues to the Company.

D. At December 31, 2012 and December 31, 2011 the Company had premiums receivable from the Michigan Department of Community Health of \$829,557 and \$176,217 respectively. The Company routinely assesses the collectability of these receivables.

E. Business Interruption Insurance Recoveries – None

F. State Transferable Tax Credits – None

G. Subprime-Mortgage-Related Risk Expense – None

H. Retained Assets – None.

22. Events Subsequent

Type I – None.

Type II – None.

23. Reinsurance

A. Ceded Reinsurance Report

Section 1 – General Interrogatories

(1) Are any of the reinsurers, listed in Schedule S as non-affiliated, owned in excess of 10% or controlled, either directly or indirectly, by the company or by any representative, officer, trustee, or director of the Company?

Yes () No (x)

(2) Have any policies issued by the company been reinsured with a company chartered in a country other than the United States (excluding U.S. Branches of such companies) that is owned in excess of 10% or controlled directly or indirectly by an insured, a beneficiary, a creditor or an insured or any other person not primarily engaged in the insurance business?

Yes () No (x)

Section 2 – Ceded Reinsurance Report – Part A

(1) Does the company have any reinsurance agreements in effect under which the reinsurer may unilaterally cancel any reinsurance for reasons other than for nonpayment of premium or other similar credit?

Yes (x) No ()

a. If yes, what is the estimated amount of the aggregate reduction in surplus of a unilateral cancellation by the reinsurer as of the date of this statement, for those agreements in which cancellation results in a net obligation of the reporting entity to the reinsurer, and for which such obligation is not

Notes to Financial Statements

presently accrued? Where necessary, the reporting entity may consider the current or anticipated experience of the business reinsured in making this estimate.
\$ 0.

- b. What is the total amount of reinsurance credits taken, whether as an asset or as a reduction of liability for these agreements in this statement?
\$ 0.

- (2) Does the reporting entity have any reinsurance agreements in effect such that the amount of losses paid or accrued through the statement date may result in a payment to the reinsurer of amounts that, in aggregate and allowing for offset of mutual credits from other reinsurance agreements with the same reinsurer, exceed the total direct premium collected under the reinsured policies?
Yes () No (x)

Section 3 – Ceded Reinsurance – Part B

- (1) What is the estimated amount of the aggregate reduction in surplus, (for agreements other than those under which the reinsurer may unilaterally cancel for reasons other than for nonpayment of premium or other similar credits that are reflected in section 2 above) of termination of ALL reinsurance agreements, by either party, as of the date of this statement? Where necessary, the company may consider the current or anticipated experience of the business reinsured in making this estimate.
\$ 0.
- (2) Have any new agreements been executed or existing agreements amended, since January 1 of the year of this statement, to include policies or contracts that were in force or which had existing reserves established by the company as of the effective date of the agreement?
Yes () No (x)

- (3) Uncollectible Reinsurance
None.

- C. Commutation of Ceded Reinsurance
None.

24. Retrospectively Rated Contracts and Contracts Subject to Redetermination – None

25. Change in Incurred Claims and Claim Adjustment Expenses

The following table provides a reconciliation of the beginning and ending claims payable, net of reinsurance recoverables:

	Year Ended December 31	
	2012	2011
	(In Thousands)	
Reserve for claims payable, at beginning of year	\$ 19,025	\$ 18,731
Add provision for claims, occurring in:		
Current year	191,311	186,309
Prior years	(1,470)	1,091
Net incurred claim expense during the current year	189,841	187,400

Notes to Financial Statements

Deduct payments for claims occurring in:		
Current year	171,616	167,636
Prior years	<u>16,815</u>	<u>19,470</u>
Net claim payments during the current year	<u>188,431</u>	<u>187,106</u>
Reserve for claims payable, at end of year	<u><u>20,435</u></u>	<u><u>19,025</u></u>

The favorable development of the 2012 reserves is primarily due to 2011 outpatient incurred claim costs developing with less severity and frequency than anticipated. The net effect, after risk sharing, on expenses was (\$1,322,000).

The unfavorable development of the 2011 reserves is primarily due to 2010 physician and inpatient incurred claim costs developing with more severity and frequency than anticipated. The net effect, after risk sharing, on expenses was \$1,051,000.

26. Intercompany Pooling Arrangements

None.

27. Structured Settlements

Not applicable

28 Health Care Receivables

A. Pharmaceutical Rebate Receivables

Pharmaceutical rebate receivables consist of actual amounts billed for the previous quarter, based on actual prescriptions filled, and estimates of rebates for the current quarter. Estimated rebates are based primarily on historical trends.

Quarter	Estimated Pharmacy Rebates as Reported on Financial Statements	Pharmacy Rebates as Invoiced/ Confirmed	Actual rebates Collected Within 90 Days of Invoicing/ Confirmation	Actual Rebates Collected Within 91 to 180 Days of Invoicing/ Confirmation	Actual Rebates Collected More Than 180 Days After Invoicing/ Confirmation
12/31/2012	600	0	0	0	0
09/30/2012	550	584	0	0	0
06/30/2012	600	576	576	0	0
03/31/2012	600	632	632	0	0
12/31/2011	0	597	597	0	0
09/30/2011	0	623	623	0	0
06/30/2011	0	622	622	0	0
03/31/2011	0	614	614	0	0
12/31/2010	0	1,602	1,602	0	0
09/30/2010	0	3,014	3,014	0	0
06/30/2010	0	2,771	2,771	0	0
03/31/2010	0	2,787	2,787	0	0

B. Risk Sharing Receivables

The Company has agreements, which provide the basis of payments to different provider groups for the delivery of health care services. The groups include hospitals, physician hospital organizations, and physicians. The agreements include provisions for the sharing of surplus or deficits calculated by the comparison of total expense to funding reported for the Company's members served by the physicians affiliated with each contracting provider group. The funding levels are primarily based on a percentage of the premium, which the Company receives for providing health insurance coverage to employer groups. Certain of these providers have

Notes to Financial Statements

entered into separate agreements with affiliated hospitals to share any surplus or deficit associated with services to physician members.

The following table details risk sharing receivables recorded in accordance with the provisions of the aforementioned agreements.

Calendar Year	Evaluation Period Year Ending	Risk Sharing Receivable as Estimated And Reported in the Prior Year	Risk Sharing Receivable as Estimated And Reported in the Current Year	Risk Sharing Receivable Invoiced	Risk Sharing Receivable Not Invoiced	Actual Risk Sharing Amounts Collected in Year Invoiced	Actual Risk Sharing Amounts Collected First Year Subsequent	Actual Risk Sharing Amounts Collected Second Year Subsequent	Actual Risk Sharing Amounts Collected – All Other
2012	2012	0	2,533,420	0	0	0	0	0	0
	2013	0	0	0	0	0	0	0	0
2011	2011	0	913,463	913,463	0	913,463	0	0	0
	2012	0	0	0	0	0	0	0	0
2010	2010	0	606,229	606,229	0	606,229	0	0	0
	2011	0	0	0	0	0	0	0	0
2009	2009	0	199,006	199,006	0	199,006	0	0	0
	2010	0	0	0	0	0	0	0	0

29. Participating Policies – None

30. Premium Deficiency Reserves

1. Liability carried for premium deficiency reserves

\$0
2. Date of the most recent evaluation of this liability

December 31, 2012
3. Was anticipated investment income utilized in the calculation?

Yes

31. Anticipated Salvage and Subrogation

The Company has not specifically identified any anticipated salvage and subrogation amounts in its calculation of loss reserves.

GENERAL INTERROGATORIES
PART 1 - COMMON INTERROGATORIES
GENERAL

- 1.1 Is the reporting entity a member of an Insurance Holding Company System consisting of two or more affiliated persons, one or more of which is an insurer?

Yes[X] No[]
- 1.2 If yes, did the reporting entity register and file with its domiciliary State Insurance Commissioner, Director or Superintendent or with such regulatory official of the state of domicile of the principal insurer in the Holding Company System, a registration statement providing disclosure substantially similar to the standards adopted by the National Association of Insurance Commissioners (NAIC) in its Model Insurance Holding Company System Regulatory Act and model regulations pertaining thereto, or is the reporting entity subject to standards and disclosure requirements substantially similar to those required by such Act and regulations?

Yes[X] No[] N/A[]
Michigan
- 1.3 State Regulating?
- 2.1 Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity?

Yes[] No[X]
- 2.2 If yes, date of change:
- 3.1 State as of what date the latest financial examination of the reporting entity was made or is being made.

12/31/2012
- 3.2 State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released.

12/31/2009
- 3.3 State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date).

06/29/2011
- 3.4 By what department or departments?

Department of Licensing and Regulatory Affairs, Office of Financial & Insurance Regulation, Office of Financial Evaluation
- 3.5 Have all financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with departments?

Yes[] No[] N/A[X]
- 3.6 Have all of the recommendations within the latest financial examination report been complied with?

Yes[] No[] N/A[X]
- 4.1 During the period covered by this statement, did any agent, broker, sales representative, non-affiliated sales/service organization or any combination thereof under common control (other than salaried employees of the reporting entity) receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:
- 4.11 sales of new business?

Yes[] No[X]
- 4.12 renewals?

Yes[] No[X]
- 4.2 During the period covered by this statement, did any sales/service organization owned in whole or in part by the reporting entity or an affiliate, receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:
- 4.21 sales of new business?

Yes[] No[X]
- 4.22 renewals?

Yes[] No[X]
- 5.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement?

Yes[] No[X]
- 5.2 If yes, provide the name of the entity, NAIC company code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.

1 Name of Entity	2 NAIC Company Code	3 State of Domicile

- 6.1 Has the reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period?

Yes[] No[X]
- 6.2 If yes, give full information:
- 7.1 Does any foreign (non-United States) person or entity directly or indirectly control 10% or more of the reporting entity?

Yes[] No[X]
- 7.2 If yes,
- 7.21 State the percentage of foreign control

0.000%
- 7.22 State the nationality(s) of the foreign person(s) or entity(s); or if the entity is a mutual or reciprocal, the nationality of its manager or attorney-in-fact and identify the type of entity(s) (e.g., individual, corporation, government, manager or attorney-in-fact)

1 Nationality	2 Type of Entity

- 8.1 Is the company a subsidiary of a bank holding company regulated by the Federal Reserve Board?

Yes[] No[X]
- 8.2 If response to 8.1 is yes, please identify the name of the bank holding company.
- 8.3 Is the company affiliated with one or more banks, thrifts or securities firms?

Yes[] No[X]
- 8.4 If response to 8.3 is yes, please provide the names and location (city and state of the main office) of any affiliates regulated by a federal financial regulatory services agency [i.e., the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), the Federal Deposit Insurance Corporation (FDIC) and the Securities Exchange Commission (SEC) and identify the affiliate's primary federal regulator.

1 Affiliate Name	2 Location (City, State)	3 FRB	4 OCC	5 FDIC	6 SEC
		.. Yes[] No[X] ..	.. Yes[] No[X] ..	.. Yes[] No[X] ..	.. Yes[] No[X] ..

9. What is the name and address of the independent certified public accountant or accounting firm retained to conduct the annual audit?

Ernst & Young, LLP. Suite 1700, 500 Woodward, Detroit, MI, 48226
- 10.1 Has the insurer been granted any exemptions to the prohibited non-audit services provided by the certified independent public accountant requirements as allowed in Section 7H of the Annual Financial Reporting Model Regulation (Model Audit Rule), or substantially similar state law or regulation?

Yes[] No[X]
- 10.2 If response to 10.1 is "yes," provide information related to this exemption:
- 10.3 Has the insurer been granted any exemptions related to the other requirements of the Annual Financial Reporting Model Regulation as allowed for in Section 17A of the Model Regulation, or substantially similar state law or regulation?

Yes[] No[X]
- 10.4 If response to 10.3 is "yes," provide information related to this exemption:
- 10.5 Has the reporting entity established an Audit Committee in compliance with the domiciliary state insurance laws?

Yes[X] No[] N/A[]
- 10.6 If the response to 10.5 is "NO" or "N/A" please explain:
11. What is the name, address and affiliation (officer/employee of the reporting entity or actuary/consultant associated with an actuarial consulting firm) of the individual providing the statement of actuarial opinion/certification?

Michael J. Cellini, ASA, MAAA, Ernst & Young, LLP. 5 Times Square, New York, NY, 10036
- 12.1 Does the reporting entity own any securities of a real estate holding company or otherwise hold real estate indirectly?

Yes[] No[X]

GENERAL INTERROGATORIES (Continued)

- 12.11 Name of real estate holding company
- 12.12 Number of parcels involved
- 12.13 Total book/adjusted carrying value
- \$00
- 12.2 If yes, provide explanation
13. FOR UNITED STATES BRANCHES OF ALIEN REPORTING ENTITIES ONLY:
- 13.1 What changes have been made during the year in the United States manager or the United States trustees of the reporting entity?
- 13.2 Does this statement contain all business transacted for the reporting entity through its United States Branch on risks wherever located?
- Yes[] No[] N/A[X]
- 13.3 Have there been any changes made to any of the trust indentures during the year?
- Yes[] No[] N/A[X]
- 13.4 If answer to (13.3) is yes, has the domiciliary or entry state approved the changes?
- Yes[] No[] N/A[X]
- 14.1 Are the senior officers (principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions) of the reporting entity subject to a code of ethics, which includes the following standards?
- Yes[X] No[]
- a. Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
- b. Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the reporting entity;
- c. Compliance with applicable governmental laws, rules and regulations;
- d. The prompt internal reporting of violations to an appropriate person or persons identified in the code; and
- e. Accountability for adherence to the code.
- 14.11 If the response to 14.1 is no, please explain:
- 14.2 Has the code of ethics for senior managers been amended?
- Yes[] No[X]
- 14.21 If the response to 14.2 is yes, provide information related to amendment(s).
- 14.3 Have any provisions of the code of ethics been waived for any of the specified officers?
- Yes[] No[X]
- 14.31 If the response to 14.3 is yes, provide the nature of any waiver(s).
- 15.1 Is the reporting entity the beneficiary of a Letter of Credit that is unrelated to reinsurance where the issuing or confirming bank is not on the SVO Bank List?
- Yes[] No[X]
- 15.2 If the response to 15.1 is yes, indicate the American Bankers Association (ABA) Routing Number and the name of the issuing or confirming bank of the Letter of Credit and describe the circumstances in which the Letter of Credit is triggered.

	1 American Bankers Association (ABA) Routing Number	2 Issuing or Confirming Bank Name	3 Circumstances That Can Trigger the Letter of Credit	4 Amount
15.20010

BOARD OF DIRECTORS

16. Is the purchase or sale of all investments of the reporting entity passed upon either by the Board of Directors or a subordinate committee thereof?
- Yes[X] No[]
17. Does the reporting entity keep a complete permanent record of the proceedings of its Board of Directors and all subordinate committees thereof?
- Yes[X] No[]
18. Has the reporting entity an established procedure for disclosure to its board of directors or trustees of any material interest or affiliation on the part of any of its officers, directors, trustees or responsible employees that is in conflict or is likely to conflict with the official duties of such person?
- Yes[X] No[]

FINANCIAL

19. Has this statement been prepared using a basis of accounting other than Statutory Accounting Principles (e.g., Generally Accepted Accounting Principles)?
- Yes[] No[X]
- 20.1 Total amount loaned during the year (inclusive of Separate Accounts, exclusive of policy loans):
- 20.11 To directors or other officers
- \$0
- 20.12 To stockholders not officers
- \$0
- 20.13 Trustees, supreme or grand (Fraternal only)
- \$0
- 20.2 Total amount of loans outstanding at end of year (inclusive of Separate Accounts, exclusive of policy loans):
- 20.21 To directors or other officers
- \$0
- 20.22 To stockholders not officers
- \$0
- 20.23 Trustees, supreme or grand (Fraternal only)
- \$0
- 21.1 Were any assets reported in this statement subject to a contractual obligation to transfer to another party without the liability for such obligation being reported in the statement?
- Yes[] No[X]
- 21.2 If yes, state the amount thereof at December 31 of the current year:
- 21.21 Rented from others
- \$0
- 21.22 Borrowed from others
- \$0
- 21.23 Leased from others
- \$0
- 21.24 Other
- \$0
- 22.1 Does this statement include payments for assessments as described in the Annual Statement Instructions other than guaranty fund or guaranty association assessments?
- Yes[] No[X]
- 22.2 If answer is yes:
- 22.21 Amount paid as losses or risk adjustment
- \$0
- 22.22 Amount paid as expenses
- \$0
- 22.23 Other amounts paid
- \$0
- 23.1 Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement?
- Yes[X] No[]
- 23.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount:
- \$898,961

INVESTMENT

- 24.01 Were all the stocks, bonds and other securities owned December 31 of current year, over which the reporting entity has exclusive control, in the actual possession of the reporting entity on said date? (other than securities lending programs addressed in 24.03)
- Yes[X] No[]
- 24.02 If no, give full and complete information, relating thereto
- 24.03 For security lending programs, provide a description of the program including value for collateral and amount of loaned securities, and whether collateral is carried on or off-balance sheet. (an alternative is to reference Note 17 where this information is also provided)
- 24.04 Does the Company's security lending program meet the requirements for a conforming program as outlined in the Risk-Based Capital Instructions?
- Yes[] No[] N/A[X]
- 24.05 If answer to 24.04 is yes, report amount of collateral for conforming programs.
- \$0
- 24.06 If answer to 24.04 is no, report amount of collateral for other programs.
- \$0
- 24.07 Does your securities lending program require 102% (domestic securities) and 105% (foreign securities) from the counterparty at the outset of the contract?
- Yes[] No[] N/A[X]
- 24.08 Does the reporting entity non-admit when the collateral received from the counterparty falls below 100%?
- Yes[] No[] N/A[X]
- 24.09 Does the reporting entity or the reporting entity's securities lending agent utilize the Master Securities Lending Agreement (MSLA) to conduct securities lending?
- Yes[] No[] N/A[X]

GENERAL INTERROGATORIES (Continued)

- 24.10 For the reporting entity's security lending program, state the amount of the following as of December 31 of the current year:

24.101 Total fair value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2.

\$ 0

24.102 Total book/adjusted carrying value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2.

\$ 0

24.103 Total payable for securities lending reported on the liability page.

\$ 0

25.1 Were any of the stocks, bonds or other assets of the reporting entity owned at December 31 of the current year not exclusively under the control of the reporting entity, or has the reporting entity sold or transferred any assets subject to a put option contract that is currently in force? (Exclude securities subject to Interrogatory 21.1 and 24.03).

Yes[X] No[]

25.2 If yes, state the amount thereof at December 31 of the current year:

25.21 Subject to repurchase agreements

\$ 0

25.22 Subject to reverse repurchase agreements

\$ 0

25.23 Subject to dollar repurchase agreements

\$ 0

25.24 Subject to reverse dollar repurchase agreements

\$ 0

25.25 Pledged as collateral

\$ 0

25.26 Placed under option agreements

\$ 0

25.27 Letter stock or securities restricted as to sale

\$ 0

25.28 On deposit with state or other regulatory body

\$ 1,000,029

25.29 Other

\$ 0

25.3 For category (25.27) provide the following:

1	2	3
Nature of Restriction	Description	Amount
		0

- 26.1 Does the reporting entity have any hedging transactions reported on Schedule DB?

Yes[] No[X]
- 26.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state?

Yes[] No[] N/A[X]

If no, attach a description with this statement.
- 27.1 Were any preferred stocks or bonds owned as of December 31 of the current year mandatorily convertible into equity, or, at the option of the issuer, convertible into equity?

Yes[] No[X]
- 27.2 If yes, state the amount thereof at December 31 of the current year.

\$ 0
28. Excluding items in Schedule E - Part 3 - Special Deposits, real estate, mortgage loans and investments held physically in the reporting entity's offices, vaults or safety deposit boxes, were all stocks, bonds and other securities, owned throughout the current year held pursuant to a custodial agreement with a qualified bank or trust company in accordance with Section I, III - General Examination Considerations, F. Outsourcing of Critical Functions, Custodial or Safekeeping Agreements of the NAIC Financial Condition Examiners Handbook?

Yes[X] No[]
- 28.01 For agreements that comply with the requirements of the NAIC Financial Condition Examiners Handbook, complete the following:

1	2
Name of Custodian(s)	Custodian's Address
JP Morgan Asset Management	611 Woodward Ave. Detroit, MI 48226
Citizens Bank Wealth Management	328 South Saginaw Street, Flint, MI, 48502

- 28.02 For all agreements that do not comply with the requirements of the NAIC Financial Condition Examiners Handbook, provide the name, location and a complete explanation:

1	2	3
Name(s)	Location(s)	Complete Explanation(s)

- 28.03 Have there been any changes, including name changes, in the custodian(s) identified in 28.01 during the current year?

Yes[] No[X]
- 28.04 If yes, give full and complete information relating thereto:

1	2	3	4
Old Custodian	New Custodian	Date of Change	Reason

- 28.05 Identify all investment advisers, broker/dealers or individuals acting on behalf of broker/dealers that have access to the investment accounts, handle securities and have authority to make investments on behalf of the reporting entity:

1	2	3
Central Registration Depository Number(s)	Name	Address
104234	JP Morgan Asset Management	611 Woodward Ave. Detroit, MI 48226
111223	Citizens Bank Wealth Management	328 South Saginaw Street, Flint, MI, 48502

- 29.1 Does the reporting entity have any diversified mutual funds reported in Schedule D, Part 2 (diversified according to the Securities and Exchange Commission (SEC) in the Investment Company Act of 1940 [Section 5 (b)(1)])?

Yes[X] No[]
- 29.2 If yes, complete the following schedule:

1	2	3
CUSIP #	Name of Mutual Fund	Book/Adjusted Carrying Value
..... 4812C1553	JPMorgan Equity Index Fund .....	..... 3,265,127
..... 4812C0381	JPMorgan Core Bond Fund .....	..... 4,899,219
..... 921921300	Vanguard Equity Income Fund .....	..... 5,006,833
29.2999 Total .....		..... 13,171,179

- 29.3 For each mutual fund listed in the table above, complete the following schedule:

GENERAL INTERROGATORIES (Continued)

1	2	3	4
Name of Mutual Fund (from above table)	Name of Significant Holding of the Mutual Fund	Amount of Mutual Fund's Book/Adjusted Carrying Value Attributable to the Holding	Date of Valuation
JPMorgan Equity Index Fund	Apple, Inc.	127,340	12/31/2012
JPMorgan Equity Index Fund	Exxon Mobile Corp.	101,219	12/31/2012
JPMorgan Equity Index Fund	General Electric Co.	55,507	12/31/2012
JPMorgan Equity Index Fund	Chevron Corp.	55,507	12/31/2012
JPMorgan Equity Index Fund	International Business Machines Corp.	52,242	12/31/2012
JPMorgan Core Bond Fund	US Treasury Bonds Coupn Strips	68,589	12/31/2012
JPMorgan Core Bond Fund	US Treasury Notes	44,093	12/31/2012
JPMorgan Core Bond Fund	US Treasury Bonds	44,093	12/31/2012
JPMorgan Core Bond Fund	US Treasury Notes	39,194	12/31/2012
JPMorgan Core Bond Fund	US Treasury Notes	39,194	12/31/2012
Vanguard Equity Income Fund	Exxon Mobile Corp.	212,540	12/31/2012
Vanguard Equity Income Fund	Chevron Corp.	190,369	12/31/2012
Vanguard Equity Income Fund	Johnson & Johnson	169,834	12/31/2012
Vanguard Equity Income Fund	Merck & Co.	157,721	12/31/2012
Vanguard Equity Income Fund	Pfizer, Inc.	148,028	12/31/2012

30. Provide the following information for all short-term and long-term bonds and all preferred stocks. Do not substitute amortized value or statement value for fair value.

	1	2	3
	Statement (Admitted) Value	Fair Value	Excess of Statement over Fair Value (-), or Fair Value over Statement (+)
30.1 Bonds	33,299,855	33,299,855	0
30.2 Preferred stocks	0	0	0
30.3 Totals	33,299,855	33,299,855	0

30.4 Describe the sources or methods utilized in determining the fair values
Fair values are determined by current market values provided by the Company's investment custodian.

31.1 Was the rate used to calculate fair value determined by a broker or custodian for any of the securities in Schedule D?
31.2 If the answer to 31.1 is yes, does the reporting entity have a copy of the broker's or custodian's pricing policy (hard copy or electronic copy) for all brokers or custodians used as a pricing source?
31.3 If the answer to 31.2 is no, describe the reporting entity's process for determining a reliable pricing source for purposes of disclosure of fair value for Schedule D:

Yes[] No[X]
Yes[] No[] N/A[X]

32.1 Have all the filing requirements of the Purposes and Procedures Manual of the NAIC Securities Valuation Office been followed?
32.2 If no, list exceptions:

Yes[X] No[]

OTHER

33.1 Amount of payments to Trade Associations, Service Organizations and Statistical or Rating Bureaus, if any?
33.2 List the name of the organization and the amount paid if any such payment represented 25% or more of the total payments to Trade Associations, Service Organizations and Statistical or Rating Bureaus during the period covered by this statement.

\$ 0

1 Name	2 Amount Paid
.....	0

34.1 Amount of payments for legal expenses, if any?
34.2 List the name of the firm and the amount paid if any such payments represented 25% or more of the total payments for legal expenses during the period covered by this statement.

\$ 0

1 Name	2 Amount Paid
.....	0

35.1 Amount of payments for expenditures in connection with matters before legislative bodies, officers or department of government, if any?
35.2 List the name of firm and the amount paid if any such payment represented 25% or more of the total payment expenditures in connection with matters before legislative bodies, officers or departments of government during the period covered by this statement.

\$ 0

1 Name	2 Amount Paid
.....	0

GENERAL INTERROGATORIES (Continued)

13.2 If yes, please provide the amount of custodial funds held as of the reporting date:

\$.....0

13.3 Do you act as an administrator for health savings accounts?

Yes[] No[X]

13.4 If yes, please provide the balance of the funds administered as of the reporting date:

\$.....0

FIVE-YEAR HISTORICAL DATA

	1 2012	2 2011	3 2010	4 2009	5 2008
BALANCE SHEET (Pages 2 and 3)					
1. TOTAL Admitted Assets (Page 2, Line 28)	52,055,227	49,547,612	56,943,685	48,014,257	31,737,745
2. TOTAL Liabilities (Page 3, Line 24)	24,343,716	22,671,634	24,582,501	24,587,526	22,148,667
3. Statutory surplus	11,344,888	11,352,106	11,005,480	11,123,922	10,085,370
4. TOTAL Capital and Surplus (Page 3, Line 33)	27,711,511	26,875,978	32,361,184	23,426,731	9,589,078
INCOME STATEMENT (Page 4)					
5. TOTAL Revenues (Line 8)	211,635,000	220,367,505	229,602,181	219,553,074	185,775,070
6. TOTAL Medical and Hospital Expenses (Line 18)	191,111,951	191,656,574	191,139,145	187,535,885	171,921,937
7. Claims adjustment expenses (Line 20)	5,034,032	5,167,381	4,887,980	2,839,275	4,040,505
8. TOTAL Administrative Expenses (Line 21)	15,468,290	27,195,189	25,414,324	24,079,651	12,360,037
9. Net underwriting gain (loss) (Line 24)	20,727	(3,651,639)	8,160,732	5,098,263	(2,047,409)
10. Net investment gain (loss) (Line 27)	426,972	334,539	303,255	393,114	847,995
11. TOTAL Other Income (Lines 28 plus 29)	0	0	0	0	0
12. Net income or (loss) (Line 32)	447,699	(3,317,100)	8,463,987	5,491,377	(1,199,414)
Cash Flow (Page 6)					
13. Net cash from operations (Line 11)	(587,092)	(3,929,428)	9,378,158	8,314,494	(1,157,270)
RISK-BASED CAPITAL ANALYSIS					
14. TOTAL Adjusted Capital	27,711,511	26,875,978	32,361,184	23,426,731	9,589,078
15. Authorized control level risk-based capital	5,672,444	5,676,053	5,497,464	5,561,961	5,042,685
ENROLLMENT (Exhibit 1)					
16. TOTAL Members at End of Period (Column 5, Line 7)	67,074	66,768	70,817	72,050	65,218
17. TOTAL Members Months (Column 6, Line 7)	798,260	825,861	853,214	818,966	774,988
OPERATING PERCENTAGE (Page 4)					
(Item divided by Page 4, sum of Lines 2, 3 and 5) x 100.0					
18. Premiums earned plus risk revenue (Line 2 plus Lines 3 and 5)	100.0	100.0	100.0	100.0	100.0
19. TOTAL Hospital and Medical plus other non-health (Lines 18 plus Line 19)	90.3	87.0	83.2	84.3	87.5
20. Cost containment expenses	1.3	1.3	1.2	0.7	1.1
21. Other claims adjustment expenses	1.1	1.1	0.9	0.6	1.0
22. TOTAL Underwriting Deductions (Line 23)	100.0	101.7	96.4	96.4	95.6
23. TOTAL Underwriting Gain (Loss) (Line 24)	0.0	(1.7)	3.6	2.3	(1.0)
UNPAID CLAIMS ANALYSIS					
(U&I Exhibit, Part 2B)					
24. TOTAL Claims Incurred for Prior Years (Line 13, Column 5)	19,540,571	24,474,422	22,320,783	16,831,226	13,303,552
25. Estimated liability of unpaid claims-[prior year (Line 13, Column 6)]	20,862,571	23,110,287	23,353,916	17,701,807	13,875,288
INVESTMENTS IN PARENT, SUBSIDIARIES AND AFFILIATES					
26. Affiliated bonds (Sch. D Summary, Line 12, Column 1)	0	0	0	0	0
27. Affiliated preferred stocks (Sch. D Summary, Line 18, Column 1)	0	0	0	0	0
28. Affiliated common stocks (Sch. D Summary, Line 24, Column 1)	0	0	0	0	0
29. Affiliated short-term investments (subtotal included in Sch. DA Verification, Col. 5, Line 10)	0	0	0	0	0
30. Affiliated mortgage loans on real estate	0	0	0	0	0
31. All other affiliated	0	0	0	13,482	13,482
32. TOTAL of Above Lines 26 to 31	0	0	0	13,482	13,482
33. TOTAL investment in parent included in Lines 26 to 31 above	0	0	0	0	0

NOTE: If a party to a merger, have the two most recent years of this exhibit been restated due to a merger in compliance with the disclosure requirements of SSAP No. 3, Accounting Changes and Correction of Errors? Yes[] No[] N/A[X]

If no, please explain::

SCHEDULE T - PREMIUMS AND OTHER CONSIDERATIONS
ALLOCATED BY STATES AND TERRITORIES

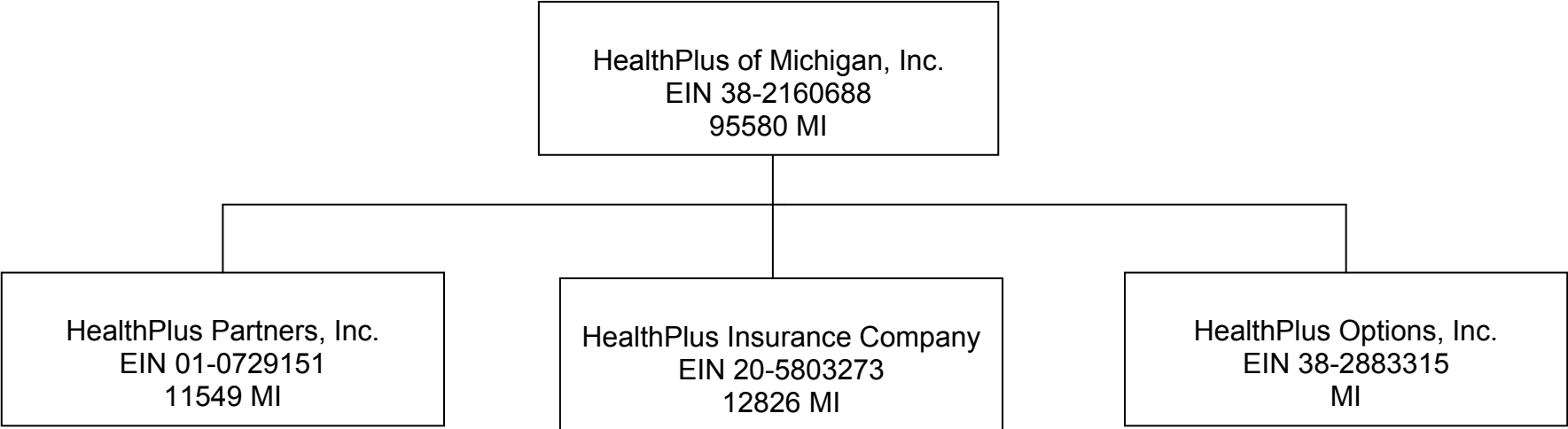
		1	Direct Business Only							
State, Etc.		Active Status	2 Accident & Health Premiums	3 Medicare Title XVIII	4 Medicaid Title XIX	5 Federal Employees Health Benefits Program Premiums	6 Life & Annuity Premiums & Other Considerations	7 Property/ Casualty Premiums	8 Total Columns 2 Through 7	9 Deposit - Type Contracts
1.	Alabama (AL)	N	0	0	0	0	0	0	0	0
2.	Alaska (AK)	N	0	0	0	0	0	0	0	0
3.	Arizona (AZ)	N	0	0	0	0	0	0	0	0
4.	Arkansas (AR)	N	0	0	0	0	0	0	0	0
5.	California (CA)	N	0	0	0	0	0	0	0	0
6.	Colorado (CO)	N	0	0	0	0	0	0	0	0
7.	Connecticut (CT)	N	0	0	0	0	0	0	0	0
8.	Delaware (DE)	N	0	0	0	0	0	0	0	0
9.	District of Columbia (DC)	N	0	0	0	0	0	0	0	0
10.	Florida (FL)	N	0	0	0	0	0	0	0	0
11.	Georgia (GA)	N	0	0	0	0	0	0	0	0
12.	Hawaii (HI)	N	0	0	0	0	0	0	0	0
13.	Idaho (ID)	N	0	0	0	0	0	0	0	0
14.	Illinois (IL)	N	0	0	0	0	0	0	0	0
15.	Indiana (IN)	N	0	0	0	0	0	0	0	0
16.	Iowa (IA)	N	0	0	0	0	0	0	0	0
17.	Kansas (KS)	N	0	0	0	0	0	0	0	0
18.	Kentucky (KY)	N	0	0	0	0	0	0	0	0
19.	Louisiana (LA)	N	0	0	0	0	0	0	0	0
20.	Maine (ME)	N	0	0	0	0	0	0	0	0
21.	Maryland (MD)	N	0	0	0	0	0	0	0	0
22.	Massachusetts (MA)	N	0	0	0	0	0	0	0	0
23.	Michigan (MI)	L	0	0	211,730,613	0	0	0	211,730,613	0
24.	Minnesota (MN)	N	0	0	0	0	0	0	0	0
25.	Mississippi (MS)	N	0	0	0	0	0	0	0	0
26.	Missouri (MO)	N	0	0	0	0	0	0	0	0
27.	Montana (MT)	N	0	0	0	0	0	0	0	0
28.	Nebraska (NE)	N	0	0	0	0	0	0	0	0
29.	Nevada (NV)	N	0	0	0	0	0	0	0	0
30.	New Hampshire (NH)	N	0	0	0	0	0	0	0	0
31.	New Jersey (NJ)	N	0	0	0	0	0	0	0	0
32.	New Mexico (NM)	N	0	0	0	0	0	0	0	0
33.	New York (NY)	N	0	0	0	0	0	0	0	0
34.	North Carolina (NC)	N	0	0	0	0	0	0	0	0
35.	North Dakota (ND)	N	0	0	0	0	0	0	0	0
36.	Ohio (OH)	N	0	0	0	0	0	0	0	0
37.	Oklahoma (OK)	N	0	0	0	0	0	0	0	0
38.	Oregon (OR)	N	0	0	0	0	0	0	0	0
39.	Pennsylvania (PA)	N	0	0	0	0	0	0	0	0
40.	Rhode Island (RI)	N	0	0	0	0	0	0	0	0
41.	South Carolina (SC)	N	0	0	0	0	0	0	0	0
42.	South Dakota (SD)	N	0	0	0	0	0	0	0	0
43.	Tennessee (TN)	N	0	0	0	0	0	0	0	0
44.	Texas (TX)	N	0	0	0	0	0	0	0	0
45.	Utah (UT)	N	0	0	0	0	0	0	0	0
46.	Vermont (VT)	N	0	0	0	0	0	0	0	0
47.	Virginia (VA)	N	0	0	0	0	0	0	0	0
48.	Washington (WA)	N	0	0	0	0	0	0	0	0
49.	West Virginia (WV)	N	0	0	0	0	0	0	0	0
50.	Wisconsin (WI)	N	0	0	0	0	0	0	0	0
51.	Wyoming (WY)	N	0	0	0	0	0	0	0	0
52.	American Samoa (AS)	N	0	0	0	0	0	0	0	0
53.	Guam (GU)	N	0	0	0	0	0	0	0	0
54.	Puerto Rico (PR)	N	0	0	0	0	0	0	0	0
55.	U.S. Virgin Islands (VI)	N	0	0	0	0	0	0	0	0
56.	Northern Marianas Islands (MP)	N	0	0	0	0	0	0	0	0
57.	Canada (CAN)	N	0	0	0	0	0	0	0	0
58.	Aggregate other alien (OT)	X X X	0	0	0	0	0	0	0	0
59.	Subtotal	X X X	0	0	211,730,613	0	0	0	211,730,613	0
60.	Reporting entity contributions for Employee Benefit Plans	X X X	0	0	0	0	0	0	0	0
61.	TOTAL (Direct Business)	(a) ... 1	0	0	211,730,613	0	0	0	211,730,613	0

DETAILS OF WRITE-INS										
5801.		X X X	0	0	0	0	0	0	0	0
5802.		X X X	0	0	0	0	0	0	0	0
5803.		X X X	0	0	0	0	0	0	0	0
5898.	Summary of remaining write-ins for Line 58 from overflow page	X X X	0	0	0	0	0	0	0	0
5899.	TOTALS (Lines 5801 through 5803 plus 5898) (Line 58 above)	X X X	0	0	0	0	0	0	0	0

(L) Licensed or Chartered - Licensed Insurance Carrier or Domiciled RRG; (R) Registered - Non-domiciled RRGs; (Q) Qualified - Qualified or Accredited Reinsurer; (E) Eligible - Reporting Entities eligible or approved to write Surplus Lines in the state; (N) None of the above - Not allowed to write business in the state.

(a) Insert the number of L responses except for Canada and Other Alien.
Explanation of basis of allocation of premiums by states, etc.: All premiums are written in the State of Michigan

SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER
MEMBERS OF A HOLDING COMPANY GROUP
PART 1 - ORGANIZATIONAL CHART



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